

#27

Reply Brief

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Appellants: Andrew S. Van Luchene

Application No.: 09/045,518

Filed: March 20, 1998

For: METHOD AND APPARATUS FOR  
PROCESSING A SUPPLEMENTARY  
PRODUCT SALE AT A POINT-OF-SALE  
TERMINAL

)  
) Group Art Unit: 3622

)  
) Examiner: J. Myhre

)  
) **REPLY BRIEF**

)  
) Attorney Docket No. 97-561

CERTIFICATE OF MAILING BY "EXPRESS MAIL"

I hereby certify that this correspondence is being deposited with the United States Postal Service "Express Mail under Express Mail No. EL985253395US" under CFR 1.10 in an envelope addressed to: Assistant Commissioner for Patents, Washington, D.C. 20231, on August 13, 2003.

Dated: August 13, 2003

By: *Veronika S. Leliever*  
Veronika S. Leliever

**BOARD OF PATENT APPEALS  
AND INTERFERENCES**

Assistant Commissioner for Patents  
Washington, D.C. 20231

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Dear Sir:

Appellant hereby replies to the Examiner's Answer mailed April 10, 2003 (Paper No. 25).

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AND INTERFERENCES**

Appellant respectfully addresses the following issues which were raised by the Examiner's Answer.

Grouping of Claims (Examiner's Answer, page 2)

On page 2 of the Examiner's Answer (paragraph number 7), the Examiner disagrees with Appellant's grouping of claims. The Examiner has provided different groupings "according to their claimed features".

The Examiner's groupings ignore the separate arguments of patentability provided in the Appeal Brief, and instead group the claims apparently according to similar-sounding claim features.

The Examiner's new groups are clearly incorrect because they ignore these separate arguments of patentability, and instead improperly focus on similar-sounding features.

Grouping independent claims 1 and 2 together ignores the separate arguments of patentability for claim 2, as clearly described in the Appeal Brief, Sections 2.2 and 2.3 (pages 37 - 38). Independent claim 2 includes the limitation:

*a processor operative with a program to receive a rounding code*  
which is not found in independent claim 1.

Grouping claims 3 and 5 with claims 4 and 6 together ignores the separate arguments of patentability for claims 4 and 6, as clearly described in the Appeal Brief, Sections 4.2 and 4.3 (pages 41 - 42).

Grouping claims 7 - 15 with claims 16 - 24 together ignores the separate arguments of patentability for claims 16 - 24, as clearly described in the Appeal Brief, Sections 6.2 and 6.3 (pages 46 - 47).

Grounds for Rejection, paragraph (10)(A) (Examiner's Answer, pages 3 - 4), and  
Grounds for Rejection, paragraph (11)(A) (Examiner's Answer, pages 8 - 10)

Pages 3 - 4 (paragraph 10 A) and pages 8 - 10 (paragraph 11 A) of the Examiner's Answer deal with the rejection under 35 U.S.C. § 101. The Examiner has not clarified which of

the five tests outlined in the Appeal Brief, pages 15 - 22, were relied upon in the rejection of all claims as nonstatutory. Instead, in the first paragraph of page 4 of the Examiner's Answer, the test apparently relied upon in the rejection is set forth. This test is contrary to law.

In the first paragraph of page 4, the Examiner states that:

"although the rounded price is tangible and may possibly be useful, the purchase price is not tied to anything concrete and no intended use for it is indicated in the claims. Thus, it does not meet the three criteria for statutory material and is deemed to be an abstract idea."

In summary, this argument appears to be: if the result (i) which is admittedly tangible and useful (ii) is not "tied to something concrete" and (iii) for which no intended use "is indicated in the claim", then (iv) the result cannot be "concrete".

However, it is well settle that the **result itself** must be concrete - the result need not be "tied to something concrete" (whatever that may mean). The proper legal standard for the Section 101 inquiry is set forth at pages 16 - 18 of the Appeal Brief, and pages 18 - 19 explain why the pending claims comfortably fall within the ambit of statutory subject matter.

Finally, not only is there is no case law that a result must be "tied to something concrete", there is not even authority for the Examiner's novel theory that a result may be useful and tangible, yet not simultaneously concrete. Thus, maintaining such a rejection would endorse a legal analysis that has no precedent and no rational foundation.

On page 8, the Examiner states that:

"since Claim 1 rounds some undetermined purchase price without indicating that the purchase price is tried to any product, service or item (heretoafter 'product'), it is not concrete, but merely a name given to a rounded number. If the claim indicated that the purchase price of some product was received and that this purchase price was the one being rounded, the Examiner would concur that it would be statutory."

The Examiner's clarification is apparently an admission (for the first time) that the claim limitation of "*purchase price*" is, for some undisclosed reason, being ignored and replaced with a mere abstraction. In other words, the claim limitation "*purchase price*" has been given

neither (i) its ordinary dictionary meaning, nor (ii) its meaning ascribed to it by the present application. In fact, the term "*purchase price*" is not an abstract quantity, when properly construed with either (i) the ordinary dictionary meaning, or (ii) the meaning ascribed by the present application (whether or not these two meanings differ).

Simply put, the ordinary dictionary meaning of the adjective "purchase" is generally "something obtained in exchange for money or its equivalent". The ordinary dictionary meaning of the noun "price" is generally "the amount as of money or goods, asked for or given in exchange for something else". Clearly the ordinary meaning of the term "purchase price" is not an abstract number, but is generally "the price of something that is purchased".

Whether or not the use of "purchase price" in the application differs from the ordinary meaning, it is clear that the use in the application of "purchase price" is not the use of an abstract quantity. To consider it an abstract quantity would be to ignore limitations of the claim.

Finally, the Examiner's clarification also seems to imply that because the "rounded price" is not limited to a particular type of product, the claims are unduly broad and therefore nonstatutory. This reasoning is clearly incorrect. As explained at page 19 of the Appeal Brief, the requirement for a useful invention is to be evaluated for the invention, and is not dependent on the breadth of the claims.

On page 8, the Examiner apparently provides a new basis for rejection under 35 U.S.C. § 101 - that the claim "is not related to any technological art". The Examiner supports this proposition (which has no support in the statute or case law) with the assertion that the steps of claim 1 "could be done mentally". This test is not a proper test under Section 101, as described in the Appeal Brief at pages 21 - 22 with respect to Examiner's Reason (e).

The Examiner "agrees that including steps that could be performed mentally within a process doesn't render the claim automatically nonstatutory". Paradoxically, the Examiner then simultaneously asserts (through a lengthy set of hypotheticals on pages 9 - 10) that the claims are nevertheless nonstatutory because "the entire process is nothing more than a mental exercise in mathematics".

The Examiner's side-by-side statements cannot be reconciled logically. Further, nowhere in the application nor during prosecution has Appellant discussed or hinted at an embodiment which required such pure mental activity. On the contrary, the present application clearly describes several embodiments in which, e.g., a POS terminal performs various steps, such as receiving a rounding code by scanning a bar code printed on an adhesive label. Present Application, page 4, lines 6 - 8.

The Examiner has never argued that the claims do not embrace the many, clearly disclosed and clearly statutory embodiments involving, e.g., POS terminals, bar code scanners, servers. The Examiner has also not argued that the present claims are not fully described and enabled by the present application. Instead, the Examiner has deemed steps which could possibly be performed mentally to be impermissible matter rendering the claim nonstatutory.

In summary, the Examiner has ignored the legal principles set forth at page 22, paragraph 2 of the Appeal Brief: The inclusion in a patent of a claim to a process that may be performed by a person, but that is also capable of being performed by a machine, is not fatal to patentability. Alco Standard Corp. v. Tennessee Valley Authority, 808 F.2d 1490, 1496, 1 USPQ2d 1337, 1341 (Fed. Cir. 1986).

Grounds for Rejection, paragraph (11)(B) (Examiner's Answer, pages 10 - 11)

On page 10 (paragraph 11 B) of the Examiner's Answer, the Examiner apparently misunderstands or disputes the long standing legal principle described at pages 23 - 24 of the Appeal Brief - that a reprogrammed system becomes a new machine once different software programs the device to perform a different process.

The Examiner then states that

"using this [the Federal Circuit's and C.C.P.A.'s] logic, the Appellant's own device would also become a completely different device when it receives a new rounding code. In both the reference and the current application, the only thing that is changed is the value of the variable in the rounding equation"

This is clearly incorrect. Claim 1 is a method which includes a step of "receiving a rounding code of a plurality of different rounding codes". No 'reprogramming' or change of any sort is required to receive a rounding code since the claim in fact recites such a limitation, and this claim is fully enabled by the application. There is no case law to support the Examiner's proposition that a new machine is created when a device receives data (especially data it is designed to receive).

By contrast, the Eleftheriou system is not designed or intended to receive any rounding code at all. However, the Examiner attempted to stretch Eleftheriou to meet the claim limitations by arguing that the system of Eleftheriou could be reprogrammed to round to different multiples. Fourth Office Action, page 9, last paragraph. See generally, Appeal Brief, pages 23 - 24. Thus, the reprogramming of the system of Eleftheriou would be necessary (though not sufficient), but in the presently claimed embodiments, no reprogramming of anything is required.

Also on page 10 (paragraph 11 B) of the Examiner's Answer, the Examiner states that most store owners would not "have the skill or knowledge to reprogram their computer system". Appellant agrees with this assessment. This assessment in fact shows another reason why the system of Eleftheriou is vastly inapplicable to the presently claimed embodiments.

The Examiner then proceeds by arguing that "it is much more feasible that the merchant would only have to select the rounding code by pressing a key or a series of keys on the input device". If this is intended as a statement of what merchants would find easier than reprogramming, Appellant agrees that a merchant would find "pressing a key" easier than "reprogramming a computer system". However, there is no hint or suggestion in any of the references that merchants can "change a rounding code" by "pressing a key", or in fact in any other way. The Examiner has also failed to provide any motivation to combine or modify references in any manner which would yield such a function. In fact, the Examiner has failed to show that any references recognizes any benefit whatsoever from providing the merchant with this function.

On pages 10 - 11 (paragraph 11 B) of the Examiner's Answer, the Examiner states that:  
"the system (e.g. cash register) in Eleftheriou receives the rounding code (from a plurality of possible rounding codes) from the merchant and thereafter automatically rounds the purchase price."

This is clearly not true. Eleftheriou never even suggests that a plurality of rounding codes are received from the merchant. Thus, the conclusion that "the merchant [in Eleftheriou] is performing both steps of the claim." is erroneous.

On page 11 (paragraph 11 B) of the Examiner's Answer, the Examiner states that:

"[W]hen using the reference [Eleftheriou] invention, the customer would remit, for example, \$3 for a purchase instead of \$2.95 actual cost. Thus the purchase price of that transaction has been rounded."

Appellant notes that in this hypothetical, the customer tenders \$3 for a \$2.95 purchase. The remainder (\$0.05) is placed onto the customer's change card, as if the \$0.05 was placed in a special 'coin container'. The Examiner has equated 'purchase price' with 'amount tendered', which is clearly incorrect and ignores the meaning of the term 'purchase price'. By the Examiner's logic, if the customer tendered \$3.00 with a debit card for a \$2.95 purchase, and received \$0.05 in cash back (a nickel in hand), the 'purchase price' of this transaction would be \$3.00.

The ordinary dictionary meaning of the noun "price" is generally "the amount as of money or goods, asked for or given in exchange for something else". The meaning ascribed to "purchase price" in the present application does not greatly differ, and certainly is not equivalent to 'amount tendered'. The two terms clearly have different meanings in the present application. See, e.g., Present Application, page 2, line 21 - page 3, line 2:

"For example, a customer purchasing a first product for \$1.74 and tendering \$2.00 may be offered a second product, perhaps at an attractively discounted price, in lieu of the \$0.26 change due. The upsell price, \$0.26, thus depends on the purchase price \$1.74; the upsell price is not fixed like most conventional prices for items."

Also for example, consistent with the present claims, a customer could have a rounded price of \$3, and still tender \$5, receiving \$2 change.

To support the faulty reasoning, the Examiner provides a hypothetical (not properly in the record) involving a \$5 rebate coupon. Notwithstanding its lack of evidentiary support, even this hypothetical fails to support the Examiner's conclusions. The tendering of \$19.95 in exchange for two things (e.g., an item and a rebate coupon) is not similar to the Elftheriou system. The customer in the Examiner's hypothetical is purchasing something (a rebate coupon) which happens to have a redemption value, if it is actually cashed in the future.

The customer tenders an amount \$19.95, which is also the purchase price for the two things (e.g., an item and a rebate coupon). If the rebate coupon is eventually used in the future, the customer is essentially given a \$5 price reduction on a future price. If the rebate coupon is not eventually used, no such reduction occurs.

On page 11 (paragraph 11 B) of the Examiner's Answer, the Examiner argues generally that Appellant's arguments on page 27 of the Appeal Brief are unpersuasive because

"that the two inventors have not chosen the same reasons for calculating the rounded price does not change the steps involved in calculating such a rounded price"

However, Appellant never made such a spurious argument that mere intent should be imputed to be a limitation of the claim. Page 27 of the Appeal Brief contains arguments that the various reasons for rounding show that it would be pointless for Elftheriou to round purchase prices at all. Only amounts tendered are rounded in Elftheriou.

Grounds for Rejection, paragraph (11)(C) (Examiner's Answer, pages 11 - 12)



On pages 11 - 12 (paragraph 11 C) of the Examiner's Answer, the Examiner generally argues that all references relate to "calculating a rounded final price charged to a customer" and therefore these references (apparently) may be combined in any manner.

First as argued above, the references do not all relate to "calculating a rounded final price charged to a customer". For example, Elftheriou rounds amounts tendered, not purchase prices.

Second, it is well settled that the references must provide some teaching, suggestion, or motivation to combine or modify the teachings of the prior art to produce the claimed invention. Even if a set of references did all involve some commonality, that is not a specific suggestion or motivation to combine or modify the teachings of those references in any and all manners.

Grounds for Rejection, paragraph (11)(D) (Examiner's Answer, pages 12 - 13)

On page 12 (paragraph 11 D) of the Examiner's Answer, the Examiner expresses a mistaken belief that "Appellant goes so far as to accuse the Examiner of fabricating the facts of the affidavit." Nowhere did Appellant make such an accusation, either explicitly or implicitly. Appellant merely expressed the judicially-recognized fact that the accuracy of one's recollection must be questioned in light of the frailties of human memory. See, e.g., Woodland Trust v. Flowertree Nursery, 148 F.3d 1368, 1372 (Fed. Cir. 1998) ("Oral evidence alone cannot be clear and convincing evidence because of "the frailty of memory of things long past and the temptation to remember facts favorable to the cause of one's relative or friend"); Eibel Process Co. v. Minnesota & Ontario Paper Co., 261 U.S. 45, 60 (1923) ("The temptation to remember in such cases and the ease with which honest witnesses can convince themselves after many years of having had a conception at the basis of a valuable patent, are well known in this branch of law"); Barbed Wire Patent Case, 143 U.S. 275, 284 (1892) (the "unsatisfactory character of testimony" arises from "the forgetfulness of witnesses, their liability to mistakes, their proneness to recollect things as the party calling them would have them recollect them, aside from the temptation to actual perjury"); In re Reuter, 670 F.2d 1015, 1021 (C.C.P.A. 1981) (A

"ten-year lapse of time, due to the frailty of human memory, detracts from the credibility of the affiant."); Lockheed Aircraft Corp. v. United States, 553 F.2d 69, 75, 193 USPQ 449, 454 (Ct.Cl.1977) (five to six years); Rex Chainbelt Inc. v. Borg-Warner Corp., 477 F.2d 481, 177 USPQ 549 (CA 7 1973) (eight years); Goodrich v. Harmsen, 58 CCPA 1144, 442 F.2d 377, 169 USPQ 553 (1971) (nine years); Jones Knitting Corp. v. Morgan, 361 F.2d 451, 149 USPQ 659 (CA 3 1966) (25 years).

On page 12 (paragraph 11 D) of the Examiner's Answer, the Examiner also affirms his refusal "to identify or present a list to the Appellant of all the other students", and thereby the Examiner has refused provide Appellant with any manner of corroborating the Examiner's Affidavit. Appellant notes that "[m]ere uncorroborated hearsay or rumor does not constitute substantial evidence." Consolidated Edison Co. v. NLRB, 305 U.S. 197, 229, 83 L. Ed. 126, 59 S. Ct. 206 (1938). In re Sneed, 710 F.2d 1544, 218 U.S.P.Q. 385 (Fed. Cir. 1983) (In a reissue proceeding, where the burden is a preponderance of the evidence, the credibility of affidavits and deposition testimony must be established by clear and convincing evidence, which may require corroboration).

On page 12 (paragraph 11 D) of the Examiner's Answer, the Examiner also states his belief that the Examiner, at some point between the ages of 9 and 18, "was skilled in the art of purchasing". Whether the Examiner was skilled in the art of tendering a dime for a 7 cent soda pop, or had the skill required to "pick out penny candy" is irrelevant to the present claims, and has nothing to do with Appellant's arguments in the Appeal Brief.

Grounds for Rejection, paragraph (11)(E) (Examiner's Answer, pages 13 - 14)

On page 13 (paragraph 11 E) of the Examiner's Answer, the Examiner states that

"the Official Notice cited in the rejection of Claims 7 - 24 in the final office action (above) was supported by the Elftheriou reference used throughout the rejection."

This is clearly incorrect, and is discussed throughout the Appeal Brief. For example, the Official Notice on page 5 of the Final Office Action ("to set a fixed price for each product .. and to associate the fixed price and rounding code (multiplier)") is disputed at page 45 of the Appeal Brief, since Elftheriou suggests no such feature. In fact, nowhere does the Examiner ever attempt to show where and how Elftheriou discloses or suggests a fixed price and rounding code are associated. In fact, at the top of page 14 (paragraph 11 E) of the Examiner's Answer, the Examiner provides a hypothetical (without any support in the record incidentally) which likewise fails to show that any rounding code is associated with any rounding multiple, fixed price or anything else.

At page 14, the Examiner apparently has characterized the present claims as "business methods", which is an area that the Examiner believes to "have been understood and used by people all over the world since the beginnings of bartering between caves".

Appellant notes that nowhere is the term business method defined by the Examiner or in any official policy of the U.S. Patent & Trademark Office. Nevertheless, the present claims are directed generally to products and processes in which a purchase price is rounded based on, e.g., a received rounding code. Appellant also notes that the current application is assigned to Technology Center 3622, which is responsible for inventions in the field of "Incentive Programs and Coupons", not some nebulous field of "business methods" whatever that may mean.

Finally, at page 14 the Examiner apparently believes that the overly broad and unsupported statements regarding "Official Notice" should be allowed to stand because "Appellant has not presented any arguments that call into doubt that the feature is well known". This standard is legally incorrect. The Examiner is charged with presenting a prima facie case of unpatentability, and substantial evidence must support all findings of fact. See the arguments presented in the Appeal Brief beginning at page 30. If an Examiner's factual assertion (such as the Official Notice discussed above) is unsupported by substantial evidence

(as the Official Notice is unsupported by Elftheriou or any other reference), then the rejections relying on that factual assertion cannot stand. Appellant is not charged with rebutting or "calling into doubt" the unsupported factual assertions of the Examiner.

Grounds for Rejection, paragraph (11)(F) (Examiner's Answer, page 14)

On page 14 (paragraph 11 F) of the Examiner's Answer, the Examiner has not addressed and has apparently ignored the separate arguments for the patentability of claim 2 set forth at pages 37 - 38 of the Appeal Brief.

Grounds for Rejection, paragraph (11)(G) (Examiner's Answer, page 15)

On page 15 (paragraph 11 G) of the Examiner's Answer, the Examiner incorrectly asserts that:

"the Appellant does not argue that this feature [determining a rounding multiple] is not present in the references. Notwithstanding the Appellant's lack of argument, the Examiner notes that a rounding code or rounding multiplier is inherently used to calculate the rounded purchase prices in the references."

In fact, Appellant did clearly argue that the limitations of Group III were not present, alone or in combination, in the references. Appellant stated that "arguments above with respect to Group I are likewise applicable to Group III - e.g., the rounded purchase price still renders the claims statutory, and the deficiencies in the prior art with respect to a rounding code are equally present with respect to a rounding multiple". Appeal Brief, page 39. Appellant further provided advantages of the limitations of the claims of Group III. Appeal Brief, pages 39 - 40.

On page 15 (paragraph 11 G) of the Examiner's Answer, the Examiner also incorrectly asserts that: "[i]t is inherent that if the rounding code is not already a multiplier (i.e. the rounding codes are A, B, and C), the code must be correlated to a numerical multiplier." This

assertion is not even suggested by Elfetheriou which, as discussed above and in the Appeal brief, fails to disclose a rounding code, much less a rounding code having a corresponding rounding multiple, much less receiving such a rounding code.

Grounds for Rejection, paragraph (11)(H) (Examiner's Answer, page 15)

On page 15 (paragraph 11 H) of the Examiner's Answer, the Examiner has not addressed and has apparently ignored the separate arguments for the patentability of Group IV set forth at pages 41 - 42 of the Appeal Brief.

Grounds for Rejection, paragraph (11)(I) (Examiner's Answer, pages 15 - 16)

On page 15 (paragraph 11 I) of the Examiner's Answer, the Examiner repeats the incorrect assertion that in Elftheriou "the system receives a plurality of rounding codes with a corresponding multiplier". However, as discussed above and in the Appeal Brief, Elftheriou clearly does not suggest receiving a rounding code, much less receiving a plurality of rounding codes. Also, Elftheriou clearly does not suggest that each rounding code has a corresponding rounding multiple and fixed price.

At the bottom of page 15 of the Examiner's Answer, the Examiner states that:

"Appellant appears to be implying that the rounding code is associated with a second product, the fixed purchase prices of the two products are added together, and then the total cost is rounded using the rounding code (with its corresponding multiplier) of the second product. However, the claims do not recite all of these limitations."

Appellant does not understand how the above could be implied from any part of the Appeal Brief, much less any part of pages 43 - 45. The portion of the Appeal Brief dealing with Group V generally indicates that the Official Notice used in support of the rejection is flawed, and that limitations of the claims of Group V were ignored.

Grounds for Rejection, paragraph (11)(J) (Examiner's Answer, page 16)

On page 16 (paragraph 11 J) of the Examiner's Answer, the Examiner has not addressed and has apparently ignored the separate arguments for the patentability of Group VI set forth at pages 46 - 47 of the Appeal Brief.

Grounds for Rejection, paragraph (11)(K) (Examiner's Answer, page 16)

On page 16 (paragraph 11 K) of the Examiner's Answer, the Examiner offers a new interpretation of the events recollected in the Examiner's Affidavit. This new interpretation is not present in or inferable from the Examiner's Affidavit. Further, this new interpretation is contradicted by the Examiner's Affidavit itself. Accordingly, this new interpretation cannot be supported by the Examiner's Affidavit, which itself does not even rise to the level of substantial evidence. In light of the arguments below, the Examiner's Affidavit cannot be considered substantial evidence.

The new interpretation, not present in or inferable from the Examiner's Affidavit, is generally that the grocer at the unnamed store in Churchs Ferry, North Dakota would include an additional item to arrive at a rounded purchase price. This additional item purportedly "had a fixed price and was selected based on its fixed price and its corresponding rounding code". Nothing in the Examiner's Affidavit states or implies that such an additional item had both a fixed price and corresponding rounding code, much less that the additional item "was selected based on its fixed price and its corresponding rounding code".

To assert knowledge of the mental reasoning behind the grocer's selection of additional items is highly suspect. This detailed and inordinately complicated reasoning would certainly not have been communicated to a nine year old boy purchasing soda pop.

This new, implausible and clearly unsubstantiated interpretation casts further doubt on the accuracy of the Examiner's memory as it pertains to the events of the Examiner's Affidavit.

Moreover, the new interpretation is in fact contradicted the Examiner's Affidavit. The Examiner asserts on page 16 that "[i]f an item's fixed price was \$.40, the merchant may choose it in order to round the total price to the nearest quarter (.25). If the fixed price of a different item was \$1.50, the merchant may choose it in order to round the total price to the nearest dollar." Thus, the Examiner is now recasting the events to imply that the merchant would select the additional item in order to round to a multiple he desires. This contradicts the Examiner's Affidavit, which describes that additional items were offered such that the total purchase price of all items was the amount tendered, and therefore no change from the amount tendered would be needed. The Examiner's Affidavit states:

"If a student bought one bottle **and paid a dime for the purchase** ... [the grocer would] offer one or more additional items ... **in place of change due.**"

"Sometimes he would let the student pick out penny candy in an amount **equal to the change due.**"

"At other times he would offer a more expensive item ... **in place of the change.**"

"[He] continued this [practice of offering additional items **in place of the change due** at least through 1968"

(emphasis added).

This contradictory interpretation casts further doubt on the accuracy of the Examiner's memory as it pertains to the events of the Examiner's Affidavit.

Clearly, the unsubstantiated matter contained in the Examiner's Affidavit, which has been further contorted in an attempt to refute Appellant's arguments, cannot rise to the level of substantial evidence. Substantial evidence "is more than a mere scintilla. It means such relevant evidence as a reasonable mind might accept as adequate to support a conclusion. . . .

Mere uncorroborated hearsay or rumor does not constitute substantial evidence.” Consolidated Edison Co. v. NLRB, 305 U.S. 197, 229, 83 L. Ed. 126, 59 S. Ct. 206 (1938).

Similarly since “review under this standard involves an examination of the record as a whole, taking into consideration evidence that both justifies and detracts from the agency's decision”, Universal Camera Corp. v. NLRB, 340 U.S. 474, 487-88, 95 L. Ed. 456, 71 S. Ct. 456 (1951); Dickinson v. Zurko, 527 U.S. 150, 162, 50 U.S.P.Q.2D 1930, 144 L. Ed. 2d 143, 119 S. Ct. 1816 (1999), the contradictory nature of the Examiner's Affidavit must render it insufficient to rise to the level of substantial evidence.

Grounds for Rejection, paragraph (11)(L) (Examiner's Answer, page 17)

On page 17 (paragraph 11 L) of the Examiner's Answer, the Examiner has not refuted or even acknowledged the separate arguments for patentability of the claims of Group VIII, particularly those presented in the Appeal Brief at pages 54 - 56.

Appellant again notes that the Examiner incorrectly asserts that Elftheriou rounds prices, when in fact only amounts tendered are rounded. Appellant also notes that the decision as to what multiple to round up to is in act a reprogramming of the system of Elftheriou, as described above and in the Appeal Brief.

Grounds for Rejection, paragraph (11)(M) (Examiner's Answer, page 17)

On page 17 (paragraph 11 M) of the Examiner's Answer, the Examiner incorrectly asserts with respect to Group IX that (i) the same arguments are made as were made with respect to Group VIII, and (ii) claim 29 of Group IX is broader than the claims of Group VIII. The Examiner also has not refuted or even acknowledged the separate arguments of patentability for Group IX presented in the Appeal Brief.

Contrary to the Examiner's assertion, the arguments presented for the patentability of Groups VIII and IX are not identical. However, Appellant had argued (in different portions of the Appeal Brief) that the references wholly fail to create a plausible case of unpatentability of the claims of both Groups. Because the references were so plainly inapplicable to certain



limitations, the arguments made may seem to employ similar *language*. Nevertheless, the arguments are distinct and the claims are separately patentable, as described in the Appeal Brief.

Also contrary to the Examiner's assertion, claim 29 of Group IX is not broader than the claims of Group VIII. A comparison of claim 29 with any claim of Group VIII shows that claim 29 includes a limitation not found in the other claim. Thus, by definition claim 29 cannot be considered broader since it includes this additional limitation.

For example, claim 29 includes the following limitation not included in either claim 28 or claim 30 of Group VIII:

*determining a rounding multiple based on the first item;*

Further, claim 29 also includes the following limitations not included in claim 28:

*receiving at least one item from a customer;*

*receiving a first item from a customer, in which the first item is not included in the at least one item;*

*charging the customer the rounded price for the at least one item and the first item; and receiving payment of the rounded price from the customer.*

Grounds for Rejection, paragraph (11)(N) (Examiner's Answer, pages 17 - 18)

On pages 17 - 18 (paragraph 11 N) of the Examiner's Answer, the Examiner incorrectly asserts that:

"in the [Elftheriou] reference, the scanned bar code is used to identify the item and its cost ('and other requisite information'), as noted by Appellant, and a rounding code (i.e. integer) is selected based on the item and its cost."

However, nowhere does Elftheriou suggest that that any rounding code is selected based on anything, much less based on an item or its cost.

## CONCLUSION

If any issues remain, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is kindly invited to contact Dean Alderucci using the information provided below.

Appellant hereby requests any extension of time that may be required to make this Appeal Brief timely. Please charge any fees that may be required for this paper, or credit any overpayment, to Deposit Account No. 50-0271.

Respectfully submitted,



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August 13, 2003  
Date

**TRANSMITTAL LETTER**  
**(General - Patent Pending)**

Docket No.  
97-561

In Re Application Of: **ANDREW S. VAN LUCHENE**

Serial No.  
09/045,518

Filing Date  
March 20, 1998

Examiner  
James W. Myhre

Group Art Unit  
2162

Title:

**METHOD AND APPARATUS FOR PROCESSING A SUPPLEMENTARY PRODUCT  
SALE AT A POINT-OF-SALE TERMINAL**

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50-0271

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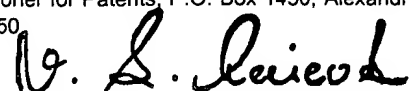
Dean P. Alderucci  
Attorney for Applicants  
PTO Registration No. 40,484  
Walker Digital, LLC  
203.461.7337/phone  
203.461.7300/fax

Customer No. 22927

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Docket No.

**97-561**

Serial No.

**09/045,518**

Filing Date

**March 20, 1998**

Examiner

**James W. Myhre**

Group Art Unit

**2162**

Invention:

**METHOD AND APPARATUS FOR PROCESSING A SUPPLEMENTARY PRODUCT SALE AT A POINT-OF-SALE TERMINAL**

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